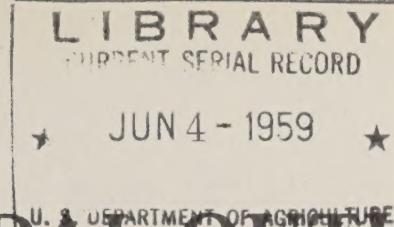


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Farmers' plans for the spring planting season point to another year of big crop production.

Farmers reported as of early March that they intend to seed slightly more acres than in 1958 to 16 major spring planted crops. Total land for all crops also is likely to be up ... probably about 2%. Given average weather, the increased acreage could produce nearly as much as last year's record.

Most of the increase in acreage is coming on the 17 million acres of land that was in the acreage reserve of the Soil Bank last year. This was only partly offset by sign-up of about 13 million acres in the conservation reserve.

Acreage plans point to the likelihood of heavy grain production again in 1959. Planned feed grain acreage is up 5% from 1958 ... Corn is up 12% and barley 5%, but oats are down 6% and sorghums 3%.

Feed grain production would be 142 million tons this year if intended acreage is planted and yields equal the 1954-58 average. This would be a tenth below 1958 when yields per acre of all four grains set new records, about the same as in 1957, but bigger than the output of any other year. It would assure continued heavy supplies since about 75 million tons probably will be carried over at the end of the current crop year.

Prospective wheat supply for 1959-60 also is large. Planned spring wheat acreage is up 9% ... the winter acreage (reported in December) is up 2%. Average yields on the intended acreage for spring wheat plus the December production estimate for winter wheat come out to a total of 1,190 million bushels. This is well below the 1958 figure of 1,462 million. But with the estimated 1,285 million bushel carryover it adds to a record supply.

Planned soybean acreage for 1959 is down 7% from 1958 record. It had increased for 9 consecutive years. Cuts also are in prospect for flaxseed 8%, potatoes 7%, hay and peanuts 3% each. Increases are intended for dry peas 37%, rice 11%, tobacco 7%, and dry beans, sugar beets and sweetpotatoes 1% each.

LIVESTOCK. Prospects that this spring's pig crop will be up about 13% from 1958 were reinforced by the quarterly pig report issued this month. Hog producers in 9 Corn Belt States reported that 12% more sows farrowed in December-February than a year earlier. Planned farrowings for March-May are up 9% ... those for June-August, also 9 percent. Hog prices probably will hold near current levels for several weeks ... then begin a seasonal rise.

Generally stable prices for fed cattle are expected for several months. A seasonal rise probably will begin around mid-summer. Stockers and feeders probably will continue to show price strength through the spring, ... perhaps throughout the year.

DAIRY. Prices to farmers for milk in 1959 may average a little above the \$4.13 figure for 1958. Dollar and cents support levels for the marketing year which begins April 1 are the same as in 1958-59. Milk production will rise slightly but probably not as much as total use. As a result, prices are likely to be above support levels for longer periods than last year.

EGGS. Laying flock in 1959-60 will be larger than this year if farmers carry out their February intentions. They reported they planned to buy about 1% fewer chicks for laying flock replacement than last year, but that a slightly higher proportion would be sexed pullets.

Figures so far indicate farmers are not buying enough chicks to fulfill their intentions. But egg production is likely to be above a year earlier through 1959 unless farmers raise at least 5% fewer chicks for flock replacement than last spring. Rates of lay per bird are likely to increase. Also large number of chicks hatched in last 5 months of 1958 will help maintain size of laying flock.

SOYBEANS. Crushings are proceeding at a record clip, supported by strong demand for high protein feeds and edible oils. Year's total is expected to reach a new high of 400 million bushels, 46 million more than in 1957-58. Exports of soybeans are running a little ahead of last season's rate ... probably will total a record 90 million or more for the season.

Prices to farmers probably will edge up to around the \$2.09 support level because of large quantities of beans expected to be acquired by CCC. February average of \$2.05 to farmers was 16¢ above the October low.

POTATOES. Growers cut early spring acreage 21% and late spring acreage 15%. Although stocks of fall potatoes are larger than last year, total supplies for the next 2 months are likely to be only moderately larger than a year earlier. Prices to farmers may rise above the low levels of the past several months.

COTTON. Domestic use continues a little above last year, exports are running only about half the 1957-58 rate. If disappearance the rest of the season continues at the first half rate, seasonally adjusted, carryover next August 1 will not be greatly different than a year earlier.

WOOL. Consumption of both apparel and carpet wool in January was far above a year earlier. Year's total also is likely to be up, stimulated by further expansion in economic activity.

Use of apparel wool per person by U. S. woolen and worsted mills in 1958 dropped to lowest level since 1918, reflecting mainly the textile recession. Use of other fibers also decreased. But wool showed the sharpest decline, accounting for only 46 percent of total fiber use in top-making and woolen spinning of yarn other than carpet, compared with 48 percent in 1957, and 53 percent in 1956.

TOBACCO. Record prices were received by growers for 1958 crops of flue-cured, burley, dark air- and sun-cured and one type of fire-cured. Prices for most other types exceeded 1957 but fell below some earlier years.